

1    **ABSTRACT OF THE DISCLOSURE**

2            A method of optimizing the compression rate in Adaptive  
3    Differential Pulse Code Modulation (ADPCM) is disclosed. The modified  
4    pulse code modulation technique employs a prognostic code converter to  
5    generate variable length codes on top of the ADPCM coding, based on the  
6    probability of occurrence of data bits in a data sample. This variable-  
7    length coding is able to further reduce the compressed data size by  
8    increasing the compression rate of the conventional ADPCM coding.